



North Carolina Department of Health and Human Services
Division of Budget and Analysis
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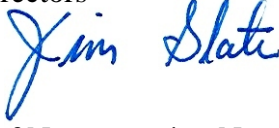
Michael F. Easley, Governor
Dempsey Benton, Secretary

James B. Slate, Jr., Director

September 13, 2007

MEMORANDUM 2007-08

TO: Division Directors

FROM: Jim Slate 

SUBJECT: Allocation of Non-recurring Negative Reserve
Prior Year Earned Revenue (PYER) & Unbudgeted Non-Federal Receipts

In House Bill 1473, the Legislature enacted a non-recurring appropriation reduction in DHHS for SFY 07-08 by having the Department budget \$3,385,000 of prior year earned revenue and \$4,105,142 in unbudgeted non-federal receipts. In certifying this reduction, negative reserves were established in the budget of Central Management & Support. We need to proceed in eliminating this reserve.

The attached schedule presents the allocations of both reserves by Division for SFY 07-08. The basis for the allocations is the net amount of estimated PYER available within each Division. This was projected using actual PYER earned for SFY 07-08 netted against the amount of PYER budgeted in SFY 07-08 through the continuation process.

Please have your division budget officer initiate a type 11 revision transferring the funds as identified on the attached schedule to budget code 14410. These revisions should be one year revisions budgeting PYER in your respective operating budgets and transferring appropriations by journal entry. CMS will do a budget revision eliminating its portion of the negative reserve as identified in the schedule and will budget the appropriations transfer from your divisions. Please have these revisions submitted to this office by October 5, 2007.

Please contact your analyst in this office if you have questions.

JBSjr:rk:gg

Attachment

cc: Dempsey Benton
Dan Stewart

Jackie Sheppard
Jennifer Hoffman

Division Budget Officers
B&A Budget Analysts

Department of Health and Human Services
Allocation of Prior Year Earned Revenue and Unbudgeted Non-Federal Receipt Negative Reserve
For the Year Ending June 30, 2008

Description	Central Management & Support	Aging and Adult Svcs.	Child Development	Public Health Svcs.	Social Services	Blind/Deaf & Hard of Hearing Svcs.	Mental Health Svcs.	Facility Svcs.	Vocational Rehab. Svcs.	Total
Gross PYER	2,221,795	50,157	101,282	4,917,288	4,534,368	495,418	11,420,395	1,020,542	135,333	24,896,578
Less										
PYER in Continuation Budget	\$ 565,120	\$ 33,503	\$ -	\$ -	\$ 1,338,860	\$ -	\$ -	\$ -	\$ -	\$ 1,937,483
Current Yr. Budget Revisions	-	-	-	-	-	-	-	-	-	-
July 1 Budget for PYER	565,120	33,503	-	-	1,338,860	-	-	-	-	1,937,483
Net Available PYER	<u>\$ 1,656,675</u>	<u>\$ 16,654</u>	<u>\$ 101,282</u>	<u>\$ 4,917,288</u>	<u>\$ 3,195,508</u>	<u>\$ 495,418</u>	<u>\$ 11,420,395</u>	<u>\$ 1,020,542</u>	<u>\$ 135,333</u>	<u>\$ 22,959,095</u>
Percentage of PYER Availability	<u>7.22%</u>	<u>0.07%</u>	<u>0.44%</u>	<u>21.42%</u>	<u>13.92%</u>	<u>2.16%</u>	<u>49.74%</u>	<u>4.45%</u>	<u>0.59%</u>	<u>100.00%</u>
PYER Negative Reserve Allocation	<u>\$ 244,254</u>	<u>\$ 2,455</u>	<u>\$ 14,933</u>	<u>\$ 724,986</u>	<u>\$ 471,133</u>	<u>\$ 73,043</u>	<u>\$ 1,683,778</u>	<u>\$ 150,465</u>	<u>\$ 19,953</u>	<u>\$ 3,385,000</u>
Non-Federal Receipts Negative Reserve Alloc.	<u>\$ 296,218</u>	<u>\$ 2,978</u>	<u>\$ 18,109</u>	<u>\$ 879,223</u>	<u>\$ 571,365</u>	<u>\$ 88,582</u>	<u>\$ 2,041,994</u>	<u>\$ 182,475</u>	<u>\$ 24,198</u>	<u>\$ 4,105,142</u>
Combined Negative Reserve Allocation	<u>\$ 540,472</u>	<u>\$ 5,433</u>	<u>\$ 33,042</u>	<u>\$ 1,604,209</u>	<u>\$ 1,042,498</u>	<u>\$ 161,625</u>	<u>\$ 3,725,772</u>	<u>\$ 332,940</u>	<u>\$ 44,151</u>	<u>\$ 7,490,142</u>